GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1777
ANSWERED ON:12.03.2007
ADB LOAN FOR FARMERS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Asian Development Bank (ADB) has announced a loan/financial assistance of one billion dollar for farmers of the country to prevent suicide by farmers of the country to prevent suicide by farmers as reported in `Seema Sandesh`. Jaipur dated November 29,2006;

(b) if so, the facts thereof alongwith the reaction of the Government thereto; and

(c) the manner in which the Government proposes to distribute the said loan to the agriculture sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a)to(c): Asian Development Bank (ADB) has approved a loan of US $ 1 billion for Rural Cooperative Credit Restructuring and Development Program (LN 2281) to support policy and institutional reforms in the Cooperative Credit Structure. The first tranche of US $ 250 million was released by ADB on 26.2.2007 . The objective is to develop a sustainable Cooperative Credit Structure and to help the Government carry out its Cooperative Credit Structure reform agenda. Its expected impact is enhanced income and employment growth for the rural poor, while its purpose is to improve rural households` access to affordable financial services through an efficient Cooperative Credit Structure. Banking Division of Department of Economic Affairs is the Executing Agency for this Program and NABARD is the implementing agency. The Program closing date is 30th June, 2010. The loan will be given by NABARD to States with whom MOUs are signed. At present five States namely Andhra Pradesh, Madhya Pradesh, Rajasthan, Maharashtra and Orissa have signed the MOUs.